

**COMMONWEALTH OF KENTUCKY  
KENTUCKY BOARD OF TAX APPEALS  
FILE NO. K04-S-87**

**RICHARD D. PANTOJA**

**APPELLANT**

**V.**

**ORDER NO. K-19329**

**JEFFERSON COUNTY PROPERTY  
VALUATION ADMINISTRATOR**

**APPELLEE**

The Kentucky Board of Tax Appeals has delegated authority to the hearing officer pursuant to KRS 13B.030. The hearing officer entered a recommended order in compliance with the provisions of KRS 13B.110. No exceptions or objections to the recommended order were filed. The Board has reviewed the record and the recommended order.

The Kentucky Board of Tax Appeals conducted a hearing in this matter on January 5, 2005 in Louisville, Kentucky and makes the following findings of fact, conclusions of law and recommended disposition.

**FINDINGS OF FACT**

This assessment appeal is for real property located at 2014 West Main Street, Louisville in Jefferson County. The Jefferson County Property Valuation Administrator assessed the property at \$66,760.00. The taxpayer or Appellant values the property at \$60,000.00. The Jefferson County Board of Assessment Appeals valued the property at \$66,760.00. The Appellants filed a timely appeal from the local board with the Kentucky Board of Tax Appeals.

The Appellant offered the following evidence in support of Appellant's appeal:

Mr. Pantoja offered three comparable sales of duplexes to his property (1,974 square feet, with 2-bedroom/1 bath units). The first comparable was 2740 Main Street (2,377 square

feet, sold for \$27,000 on September 10, 2002). The second comparable was 1917 Pirtle Street (1,400 square feet, sold for \$45,000 on June 3, 2004). The third comparable was 2500 West Muhammad Ali (2,500 square feet, sold for \$60,500 on June 5, 2003).

Mr. Larry Osterhage of the Jefferson County Attorney's Office represented the PVA. During cross-examination Mr. Pantoja confirmed the 2014 West Main Street property is "moratorium property", meaning the property had a "five year moratorium toward completion of a rehab to this property". Mr. Pantoja did not know when the moratorium started on the property, but stated the property was bought November 17, 1977. Mr. Pantoja stated the rehabilitation included new electric, plumbing, furnace, window, roof, kitchens, and painting. Then units rent for \$450 monthly including the landlord, Mr. Pantoja, paying for water and "exterior landscape and grass cutting". Mr. Pantoja does not know the insured value of this property.

Ms. Patricia A. Belt testified as a "research and development" employee at the Jefferson County PVA office. She noted the subject property (2014 West Main Street) is a "moratorium property" which ended in 2003 and this was the first assessment since the completion of the property. She noted the property was low grade in quality of construction. Ms. Belt stated the taxable value of the subject property is to be held around the purchase price for a period of five years while rehabilitation of the property is performed.

Ms. Belt introduced four duplex comparables to the 2014 West Main Street duplex by introducing 1811 Duncan Street (1,020 square feet, sold for \$38,900 on June 18, 2003), 528 South 18<sup>th</sup> Street (a three-story duplex, 1,968 square feet, sold for \$88,000 on September 11, 2003), 2111 West Muhammad Ali Boulevard (1,987 square feet, sold for \$64,000 on August 30, 2002), and 2125 West Muhammad Ali Boulevard (1,378 square feet, sold for \$56,450 on July

10, 2003). Ms. Belt feels the value of the 2014 West Main Street (subject) property to be \$77,210.00.

Mr. Osterhage stated the PVA records show the moratorium “was completed in 2003, it was started in 1998, not shortly after Mr. Pantoja bought the property.”

It is the finding of this hearing that the Appellant did not sustain his burden of proof regarding his challenge to the final order of the Jefferson County Board of Assessment Appeals.

Based upon the evidence in the record, it is the finding of the hearing officers, Ms. Nancy Mitchell and Bill Beam, Jr., the fair cash value of the property in question as of January 1, 2004 is \$66,760.00.

### **CONCLUSIONS OF LAW**

The Kentucky Board of Tax Appeals is vested with exclusive jurisdiction to hear and determine appeals from final rulings, orders and determinations of the Jefferson County Board of Assessment Appeals pursuant to KRS 131.340(1).

The function of the Board is not simply to review the action of the Jefferson County Board of Assessment Appeals, but to try anew the issues as presented. *Jefferson County Property Valuation Administrator v. Oxford Properties, Inc.*, Ky.App., 726 S.W.2d 317, 319 (1987). See KRS 131.340(1).

Section 172 of the Kentucky Constitution mandates that “all property shall be assessed for taxation at its fair cash value, estimated at the price it would bring a fair voluntary sale.”

The choice of the most appropriate and reliable approach to valuation is within the prerogative of the Board. *Jefferson County Property Valuation Administrator*, 726 S.W.2d at 319.

Regardless of the manner or method used by the Property Valuation Administrator or the decision of the Kentucky Tax Board of Appeals, the finding of valuation must be at its fair cash value, estimated at the price it would bring at a fair voluntary sale. *Helman v. Kentucky Board of Tax Appeals*, Ky.App., 554 S.W.2d 889 (1977).

As the party proposing that the Kentucky Board of Tax Appeals set aside the decision of the Jefferson County Board of Assessment Appeals, the Appellants have the burden of proving a lower value. KRS 13B.090(7).

If the property is sold at or near the assessment date in a fair and voluntary sale, the sale price is usually the best evidence of the property's fair cash value. *Sears, Roebuck & Company v. Boone County Board of Assessment Appeals*, Ky.App., 715 S.W.2d 888, 889 (1986).

Based upon the facts as established in this hearing, the hearing officers conclude that the fair cash value of the subject property as of January 1, 2004 is \$66,760.00.

### **RECOMMENDED ORDER**

It is recommended that the July 23, 2004 final ruling of the Jefferson County County Board of Assessment Appeals be upheld and the real property be assessed at a fair cash value of \$66,760.00 as of January 1, 2004.

Each party shall have fifteen (15) days from the date any recommended order is mailed within which to file exceptions to the recommendations with the agency head. Transmittal of a recommended order may be sent by regular mail to the last known address of the party.

**FINAL ORDER**

The Kentucky Board of Tax Appeals has considered the record and accepts the recommended order of the hearing officer, and adopts it as the Board's final order. Failure to file exceptions to an administrative hearing officer's recommendations after a hearing constitutes a failure to exhaust administrative remedies and precludes appellate review. *Swatzell v. Natural Resources and Environmental Protection Cabinet*, Ky App 962 SW 2d 866 (1998).

The July 23, 2004 final ruling of the Jefferson County Board of Assessment Appeals is sustained and the real property is to be assessed at a fair cash value of \$66,760.00 as of January 1, 2004.

The following information is provided pursuant to the final order requirements of KRS Chapter 13B:

This is a final and appealable order. All final orders of this agency shall be subject to judicial review in accordance with the provisions of KRS Chapter 13B. A party shall institute an appeal by filing a petition in the Circuit Court of venue, as provided in the agency's enabling statutes, within thirty (30) days after the final order of the agency is mailed or delivered by personal service. If venue for appeal is not stated in the enabling statutes, a party may appeal to Franklin Circuit Court or the Circuit Court of the county in which the appealing party resides or operates a place of business. Copies of the petition shall be served by the petitioner upon the agency and all parties of record. The petition shall include the names and addresses of all parties to the proceeding and the agency involved, and a statement of the grounds on which the review is requested. The petition shall be accompanied by a copy of the final order.

A party may file a petition for judicial review only after the party has exhausted all administrative remedies available within the agency whose action is being challenged, and within any other agency authorized to exercise administrative review.

A petition for judicial review shall not automatically stay a final order pending the outcome of the review, unless:

- (a) An automatic stay is provided by statute upon appeal or at any point in the administrative proceedings;
- (b) A stay is permitted by the agency and granted upon request; or
- (c) A stay is ordered by the Circuit Court of jurisdiction upon petition.

Within twenty (20) days after service of the petition of appeal, or within further time allowed by the Circuit Court, the Kentucky Board of Tax Appeals shall transmit to the reviewing court the original or a certified copy of the official record of the proceeding under review in compliance with KRS 13B.140(3).

**DATE OF ORDER  
AND MAILING: May 25, 2005**

**FULL BOARD CONCURRING**

**NANCY MITCHELL  
CHAIR**